

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

UNITED STATES OF AMERICA,

Plaintiff,

vs.

STEVEN THOMAS KALLAO.

Defendant.

Case No. 2:07-cr-00230-RCJ-PAL

**REPORT OF FINDINGS AND
RECOMMENDATION**

This matter came before the court on October 29, 2008 at the request of the parties to conduct a felony change of plea hearing. The Defendant Steven Thomas Kallao was present and in custody. Counsel for the government, Kimberly M. Frayn, and counsel for Mr. Kallao, Chris T. Rasmussen, were also present. The parties advised the court that, pursuant to plea negotiations, they entered into a Plea Memorandum, the terms of which were read into the record. Mr. Kallao was sworn under oath and advised that the answers to the court's questions would be subject to the penalties of perjury if he failed to answer truthfully. Counsel for Mr. Kallao indicated that he believed his client was competent to understand the nature of the proceedings in this case and to assist in his own defense. Based on these representations and the court's observation of Mr. Kallao's demeanor and responses, the court found Mr. Kallao was competent to enter a plea.

As a preliminary matter, the court canvassed Mr. Kallao with regard to his consent to have the undersigned conduct the plea hearing. Mr. Kallao consented. The court advised Mr. Kallao of the rights that he would waive by pleading guilty to the offense of conspiracy to commit bank fraud. The court also advised Mr. Kallao of the possible sentence he could face by pleading guilty to this charge, as evidenced by the hearing transcript.

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1 Pursuant to Rule 11 of the Federal Rules of Criminal Procedure, the court personally addressed
2 Mr. Kallao under oath and determined that he understood the various rights he would waive by entering
3 a plea of guilty. Specifically, the court finds as follows:

- 4 1. Mr. Kallao understood that he has the right to plead not guilty and proceed in his case to
5 a trial by jury.
- 6 2. Mr. Kallao understood his right to be represented by counsel at trial and at all other
7 stages of this proceeding, to confront and cross-examine witnesses at trial, to testify or
8 not at trial, and to call witnesses to aid in his defense.
- 9 3. Mr. Kallao understood that by pleading guilty to the offenses, he would waive the
10 foregoing rights.
- 11 4. Mr. Kallao understood the nature of the charges against him, specifically, conspiracy to
12 commit bank fraud, pursuant to 18 U.S.C. § 371.

13 The court also canvassed Mr. Kallao with regard to various matters concerning sentencing and
14 finds that he understood: (a) the maximum possible penalty that could be imposed for the offense to
15 which he pled; (b) the court's authority to order restitution to the victims in this case; (c) the court's
16 obligation to impose a special assessment; (d) the court's obligation to calculate the applicable
17 sentencing guideline range and to consider that range, possible departures from that range, and other
18 sentencing factors under 18 U.S.C. § 3553(a); and (e) that a term of supervised release may also be
19 imposed.

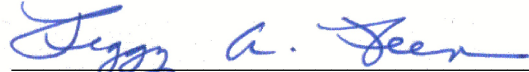
20 After advising Mr. Kallao of his rights, he entered a guilty plea to the charge in the indictment,
21 conspiracy to commit bank fraud in violation of 18 U.S.C. § 371. Mr. Kallao acknowledged that the
22 summary of facts contained in the Plea Memorandum was accurate, answered a number of questions by
23 the court concerning his offense and conduct, and admitted that he was pleading guilty because in truth
24 and in fact, he is guilty. The court finds that, based upon the Rule 11 canvass, Mr. Kallao's plea of guilt
25 was freely and voluntarily given, with knowledge and understanding of its consequences. The court
26 further finds that no threats or promises were made to induce Mr. Kallao to plead guilty to the charge.

27 The court directed the Clerk of Court to prepare a transcript of the hearing for *de novo* review by
28 the District Judge.

1 Based upon the foregoing,

2 **IT IS RECOMMENDED** that Defendant Steven Thomas Kallao's guilty plea be
3 **ACCEPTED.**

4 Dated this 31st day of October, 2008.

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7 PEGGY A. LEEN
8 UNITED STATES MAGISTRATE JUDGE
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